

WHAT BROUGHT ON THE BOOM AND WHY IT WILL CONTINUE

U. V. EXTENSION STARTED IT AND NOW WHOLE WORLD SCRAMBLES FOR JEROME SHARES

(BY ERNEST DOUGLAS)

At a cost of \$20,000 the United Verde Extension Mining company marketed \$500,000 worth of copper ore last month.

The United Verde Extension has the biggest body of high grade copper ore in the world.

All over the vast Jerome district there are surface showings every bit as encouraging as those on U. V. Extension ground. It has already been proved that many of them go far below the surface.

These are only a few of the reasons why Jerome is enjoying the biggest, healthiest boom ever experienced by an Arizona mining camp.

"Jerome" is a magic word in the copper share market today. Anything with that name attached to it is gobbled up eagerly by investors who know that the demand for copper is going to increase and increase and increase whether the war in Europe continues or not.

Jerome is copper riveted to prosperity.

The world wants copper, copper, copper. Jerome has copper, copper, copper—also gold and silver.

Jerome was prosperous when she had only the United Verde mine and thought that there wasn't any other copper in the district worth mentioning. But now she has waked up to the fact that the Jerome mineral belt, which seems the Black Hills region a score of miles, is one great deposit of copper.

Finding copper around Jerome is the easiest thing in the world. The only wonder is that somebody did not before realize that here is the greatest undeveloped copper field on the face of the earth.

Reasons Why

With the United Verde increasing the output of its smelter from 5,000,000 to 8,000,000 pounds a month and adding 500 men to its payroll; with the United Verde Extension installing an air compressor which may be utilized to double its already phenomenal output; with the United Verde Extension laying plans for the erection of its own smelter; with the Copper Chief not only turning out gold and silver bullion in immense quantities but also entering the copper-producing class; with the Dundee-Arizona opening a blind ledge that averages 25 per cent copper; with the Calumet & Jerome in the hands of the powerful Shattuck company; with the Jerome Verde, North Verde, Arkansas & Arizona and a dozen other big mines entering the active list—with all this it is any wonder that Jerome, to use an expressive if inelegant phrase, feel that she has the world by the tail with a downhill pull?

Jerome isn't any typical boom camp. She wouldn't be a typical boom camp of the old days even if the sale of liquor were allowed—and Jerome is without doubt the drierest mining town in Arizona.

Jerome is feverishly excited but at the same time is perfectly sane. She knows that her boom has solid reasons behind it, even if it was long delayed. Nobody has lost his head. The citizens of Jerome are determined that her prosperity shall not be made the foundation for stock market ex-

ploitation that will injure her reputation in the eyes of the world. No camp in the world has a better reputation than Jerome. She is proud and jealous of that reputation.

I shudder to think what will happen the first person who tries to float a wildcat proposition in Jerome. No one who knows the temper of her people will ever attempt anything so foolhardy. Jerome is a community of people who know mining. Ledges, contacts, dips, dikes, zones, are not mere names to them. They can't be fooled and they do not intend that Jerome's name and reputation shall be used to fool anyone who is not so mining-wise as they.

No Demonstrated Failure

To be sure, much money has been spent in developing properties that did not prove commercially profitable, but the money has been spent honestly. Jerome has been singularly free from dishonest exploitation. But even the mines referred to are by no means failures. Experts are of the opinion that deep development may make all of them big producers of the red metal for which the world is eager to pay 25 cents a pound.

Yes, Jerome can be spoken of as the camp without failure.

There is a municipal campaign on in Jerome now but a visitor would never know it if he did not see the placards nailed to the telephone poles. Nobody talks about city, state or national politics. Even the European war and the Mexican situation interest Jerome chiefly because of their possible effect upon the copper market.

Everyone is talking stocks.

If there is anyone in Jerome or Clarkdale who does not own stock in the United Verde Extension, the Jerome Verde, Arkansas & Arizona, Three Medal, Green Monster, Dundee-Arizona, Venture Hill, Grand Island, or some of the other companies that have leapt into prominence, he is a lost, forlorn and scorned soul, a mere hanger-on in the eager groups that congregate on the streets, in the pool halls and hotel lobbies to discuss the newest development, the latest rumor, the last "killing."

Watching the stock quotation boards is the principal indoor and outdoor sport in the "twin cities" by the Verde. The first thing the miners and smeltermen do when they get off shift is to hurry away to learn of the latest fluctuations in the stock market. Fortunate is the office clerk who can slip away for a few minutes now and then to obtain the latest "dope" and compute his winnings.

The night that I arrived in Jerome a poor old woman, wearing mere remnants of shoes and nondescript skirt, and hugging a faded black shawl about her shoulders to ward off the chill, penetrating mountain breeze, halted a moment in front of one of the boards. She peered at the figures, then leapt into the air and brought her hands together with a resounding smack. "Hooray!" she shouted.

I caught up with her as she was hurrying down the street. "How much today?" I asked. "Made a hundred!" she shrieked. "Guess I won't be washin' clothes long."

"Sure, wages are good," replied a quiet young meat-cutter when asked how he was doing in Jerome. "But

I make more than my wages every month buying and selling stocks. When something begins to boom I buy. It's easy to win now for everything is going up."

"Little Daisy"

"Little Daisy" is the name one hears most frequently on the streets of Jerome, for that is the name by which the U. V. Extension is commonly known. It was the Little Daisy before James S. Douglas acquired control of the property that attracted the eyes of the investing world to Jerome, and to Jerome it is still the Daisy.

"I could have bought Daisy at fifty cents two years ago," one hears a hundred times a day. The remark is always made in a regretful, sorrowful tone for U. V. Extension is today selling for more than \$25 a share and predictions are freely made that it will go to \$50.

"Dave Morgan told me to buy Daisy when they cut that ore on the 1200," is another claim that is often put forth. "I could have got it for a dollar then, but I was a chump."

There are many, however, who were not clumps. Hundreds of Jeronites and Clarkdalites hold Daisy today, and hundreds more made money buying it at low figures and selling it after the rapid rise set in, which was not till late in 1915.

Reptilian Gossip

"Lizard" is another favorite topic of conversation. "Lizard," be it known, is Jerome for Green Monster Mining company. The Green Monster company sold 700,000 shares at 75 cents but the stock was oversubscribed 1,100,000 shares. Everybody in Jerome and Clarkdale who could beg, borrow or steal a dollar either bought Green Monster himself

or as a member of a pool.

There really isn't any market for Green Monster today because the stock certificates have not been issued. It is supposed to be worth something like \$4 a share, however. If anyone had a certificate he would experience no trouble in disposing of it at that price.

Other companies are in process of flotation that will arouse almost as much enthusiasm as the Lizard, if they do not equal the record of that phenomenal reptile. "Jim" Layman is assured that the stock of his Verde Combination will be oversubscribed if he succeeds in putting through the big deal he has in hand. She is another one that promises to be placed on the market.

"Too small," said some of the wise ones when the Dundee-Arizona company with only two claims, was organized. But the Dundee-Arizona has struck a splendid ore body already and \$2 is offered for stock that went at \$1 ten days ago. A lot of copper can be under forty acres of ground, especially if that ground is in the Jerome district. Dundee stock, like that of the Lizard, was greatly oversubscribed.

Jerome Is Jammed

"I wish that I could find a place to start a rooming house," is another earnest desire frequently voiced. For Jerome is today crowded to her utmost capacity. The boom has brought in investors, mining experts and just plain miners from all parts of the world. It is almost impossible to get a room at the hotels. They do say that some cots work two shifts. Jerome is a poor place for one who is not willing to put up with a few discomforts and, perhaps, bunk with a perfect stranger.

Every day the tide increases. For one man who leaves Jerome, two come in. The housing problem is indeed becoming a serious one. And as the United Verde is going to put on 500 more men this summer, the Jerome Verde, Green Monster and half a dozen others now inactive are soon to begin development, the problem becomes more serious every minute.

Today the population of Jerome is, roughly speaking, 3500 souls. Those who are on the inside and know whereof they speak are convinced that this will be doubled by the first day of October. Clarkdale, seven miles away down the lovely Verde valley, has about 2500 people and is also expecting a tremendous influx of new residents. If the United Verde Extension decides to build its smelter just above Clark-

splendid residences and business blocks that would do credit to any city. Most of the vegetation in the immediate vicinity was killed years ago by the smoke from the old smelter above Jerome, and the hillsides have a barren aspect. But Jerome does not see the lack of verdure. To her the green of a lime carbonate outcrop is far more beautiful than the green of the Yavapai pines.

Town With a Plan

Clarkdale was built upon a plan and is one of the most attractive little cities in the west. It was planned when the United Verde company decided to build its smelter there. The superintendents, foremen and office men of the smelter and Verde Valley railroad live in neat, modern brick cottages. The furnace-men and other employees live in less pretentious dwellings, but dwellings kept just as scrupulously clean as the finest in the place.

So much for the towns as they are today. Now for a little history, a little history to show that floating a legitimate copper proposition in the Jerome district was not always the easy matter that it is now.

The original big mine of the Jerome district is the United Verde. There are those who claim that the Extension is bigger than the U. V., but this has not been proved and in any general account of the district the Clark property must come first. McIntock, in his History of Arizona, says of the United Verde:

Some History

"The United Verde at Jerome generally is considered the richest copper mine in Arizona, though not the largest measured in pounds of product in area. Nearly wholly owned by

next year three adjoining claims were located by M. A. Ruffner, who, with Rod McKinnon, did much work on the Eureka and Sleeping Beauty mines. In 1882 the mines were examined by F. E. Thomas, who had been told in Prescott, by Angus McKinnon that he and his brother had a fine copper mine in the Black Hills about 25 miles distant. This was the Wade Hampton, where Angus and McKinnon had sunk a 45-foot shaft and a short drift. The prospect looked good and so an agreement was made to pay McKinnon \$500 cash and \$15,000 December 1. Thomas employed the McKinnons, who seemed to be afraid to sink for fear of knocking the bottom out of their mine and spoiling a good prospect. Thomas foresees the prospect of a big mine by consolidation of several claims, thereafter bonded the adjoining Eureka mines from Charles Lening of Philadelphia, the Hermit claim from Ruffner and the McKinnons, the Azure and Adventure Chromes from Judge Riley of Nevada and his nephews, in all getting possession of eleven claims, as well as title to a spring in Walnut gulch. Nearly all had good copper croppings but some showed only iron, zinc and lead sulphides, with low assays in silver and gold. In the same year George A. Treadwell, later noted as a mining expert, was taken to see the property and became enthusiastic over it, later acquiring an interest in the ground. Securing the necessary money for making the bond payments was not easy and the month of December was spent by Thomas in chasing around eastern financial centers and trying to interest capital. The McKinnon bond had been extended to January 1, by which date Thomas had telegraphed \$7,500 to the McKinnons. The incorporation of the United Verde Copper company was effected in 1883, with James A. McDonald president, and Eugene Jerome secretary and treasurer, with Thomas superintendent and general manager, authorized to install reduction works, build a road and operate the property. Thomas left New York March 23, 1883, and soon thereafter started the first fifty-ton furnace, which made a phenomenal run on oxidized ores, high with silver. Thomas had already surveyed the townsite, which was named after the company's secretary.

"While the mine was wonderfully rich, reduction processes of that day had not developed to a point wherein its ores could be handled profitably. Within a year the company had paid \$62,000 in dividends out of a total production of \$779,000 worth of copper. This came mainly in the form of sixty per cent matte, in which was considerable gold. Transportation had been even as much trouble as the refractory ores and so, late in November, 1884, when copper had dropped to about seven cents a pound, and when snow covered the Black Hills divide, over which the hauling had to be done to Ash Fork, the mine was closed down. In the summer of 1887 Governor Tittle secured a bond and lease on the property from the United Verde company, but soon found the same distressing conditions bearing down on him that had confronted the previous management. According to G. W. Hull, locator of adjacent property, "The men at the mine not being paid for their wages, took possession and threatened to destroy the plant." Some sort of settlement was made, and then the mine was on the market. Prof. James Douglas examined the property but considered it too remote from transportation. Following this came W. A. Clark of Montana, accompanied by the John L. Thompson and J. I. Giroux.

In February, 1888, Clark leased the property and in January, 1889, after Giroux had made a full investigation and a number of smelter runs had been made, Clark purchased control of the company.

"A narrow-gauge railroad was completed in November, 1894, over the hills and down a tortuous valley. About the same time fire started in a sulphide stope and even today there is trouble from this source. In October, 1900, was a serious cave-in that dropped a large part of the reduction works and railroad grade about five feet. In the early Clark days a tunnel struck an immense body of water.

"Clark's capital and the skill of his managers soon put the mine on a paying basis. It was appreciated, however, that the reduction works and slag dump should not be on top of the mine, so plans were made for a new reduction plant in the valley, where the town of Clarkdale now is in being, supported by the operation of a smelter that alone has cost \$3,000,000, with a broad-gauge railroad connecting with the Santa Fe system, and with a wonderful railroad leading into the mountain on the mine's 1,000-foot level. The old smelter above Jerome was abandoned in September, 1915."

"Since 1899 the United Verde has produced \$160,000,000 worth of copper and has paid approximately \$10,000,000 in dividends.

Smelter Production

The Clarkdale smelter is now treating 2,500 tons of ore daily. All but 150 tons of this comes from the United Verde mine. Fifty tons of silicious ore are received daily from the Commercial mine, in Copper Basin, near Prescott, and 100 tons, also silicious, come from the Ludlow mine.

From this ore the smelter extracts over 200,000 pounds of copper. The present output of the smelter is in excess of 5,000,000 pounds of copper a month.

But the smelter is not operating nearly to its full capacity. It is not receiving enough ore.

Preparations are being made to increase the output of the smelter thirty per cent in September and another thirty per cent over the present production in November. In November the Clarkdale smelter will turn out 8,000,000 pounds of copper.

No new equipment is needed at the smelter, but more of the present equipment will be utilized when the production of the mine is increased.

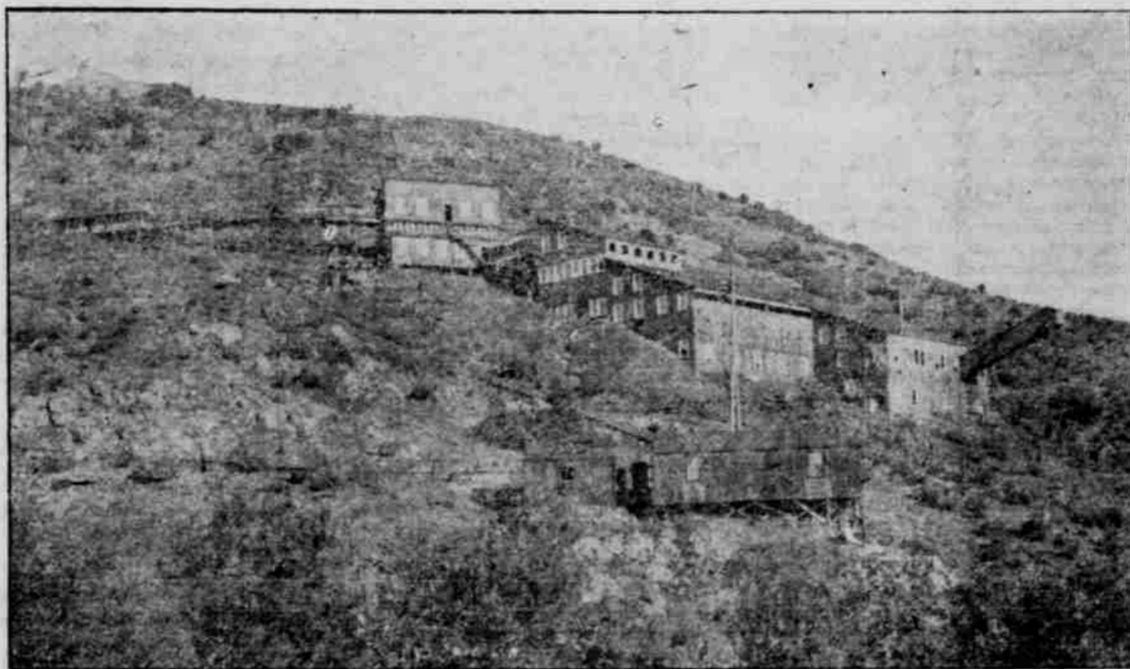
A crushing and screening plant is now being built at the mouth of the tunnel which runs into the mine on the 1,000-foot level. That plant will be completed in June. About all the ore mined will pass through the crushers but its primary object is to furnish 1,000 tons of "fines" daily for the furnaces.

Two new hoists, both electric, have been ordered. One is to replace the present hoist on No. 4 shaft. The other is to be placed on No. 5 shaft, which has been sunk from the 1,000-foot tunnel level, 800 feet into the United Verde ore body. This is now the deepest working in the mine, but as the hoist is to have a capacity of 3,000 feet it will probably not be long before the United Verde company knows more of the ore deposits that lie deeper in the earth. Diamond drill holes have proved the existence of paying copper ore to a depth of 2,000 feet.

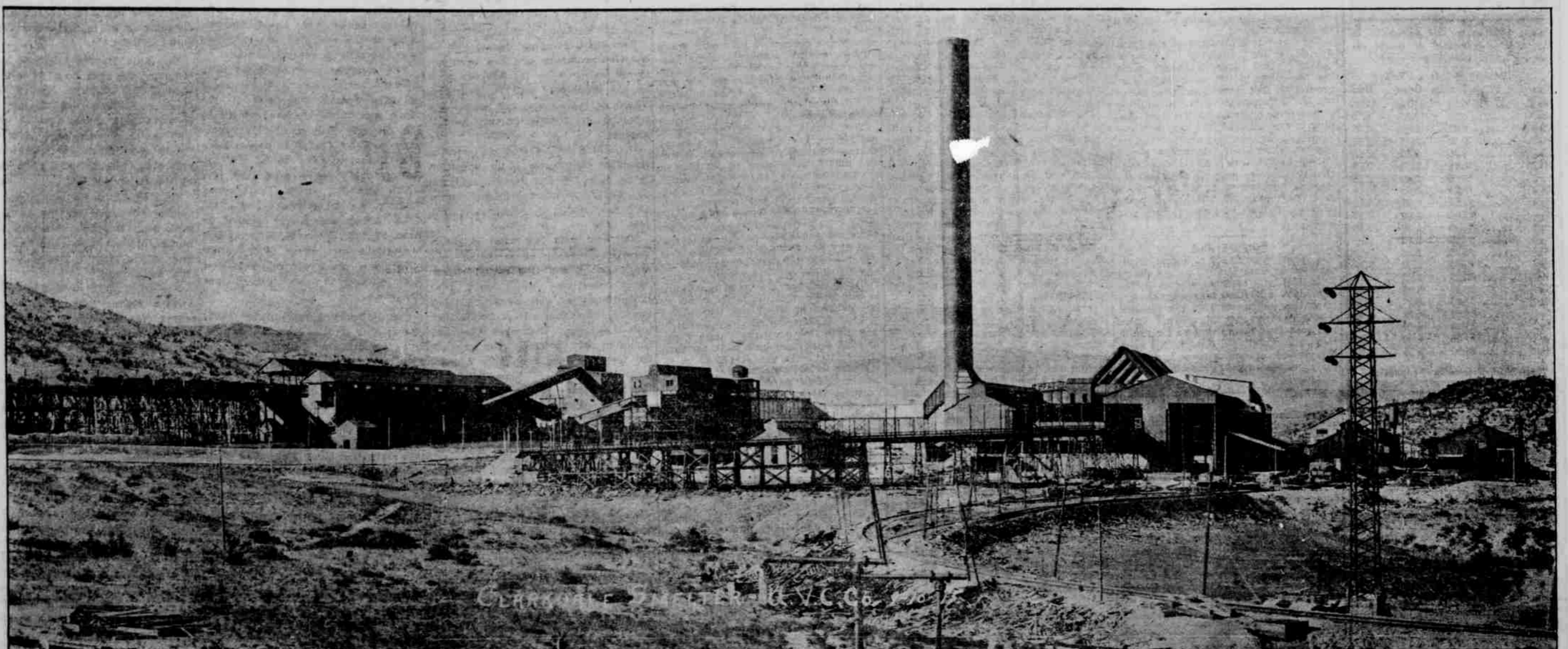
Arrangements have just been made to concrete shaft No. 5 from top to bottom.

The United Verde company now has about 1,800 men on its payroll. The additional equipment will make necessary the employment of about

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Copper Chief Mill.



Clarkdale Smelter of United Verde Copper Company, soon to be turning out 8,000,000 pounds of copper a month.

Photo by Avelson, Jerome.